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Reports

Summer 1987

From USDA's Economic Research Service

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Introduction

The economics agencies of the U.S. Department of Agriculture release up-to-date information on the domestic and foreign agricultural situation. Their reports estimate production and stocks, analyze market conditions, and forecast supply and demand. This issue of **Reports** describes

publications issued by the Economic Research Service.

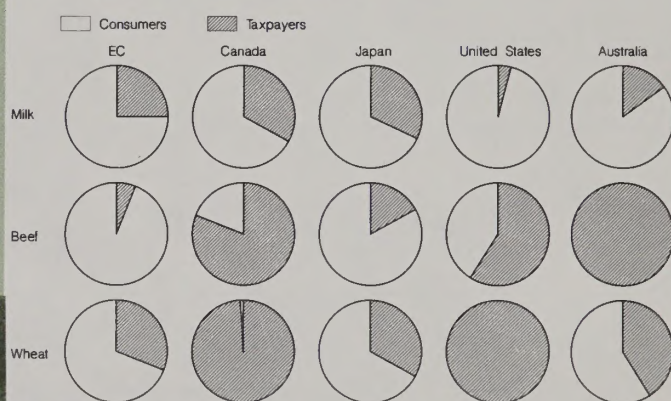
Reports is a free quarterly catalogue. To receive this free publication, send your name and address to: Reports, EMS Information-USDA, Rm 237, 1301 New York Ave., NW, Washington, DC 20005-4788.

Trade Liberalization Fosters Price Stability

The playing field in world agricultural trade is uneven. Some countries subsidize their imports; others subsidize their exports. Some tax imports; others tax exports. Most nations try to help their farmers through domestic farm programs.

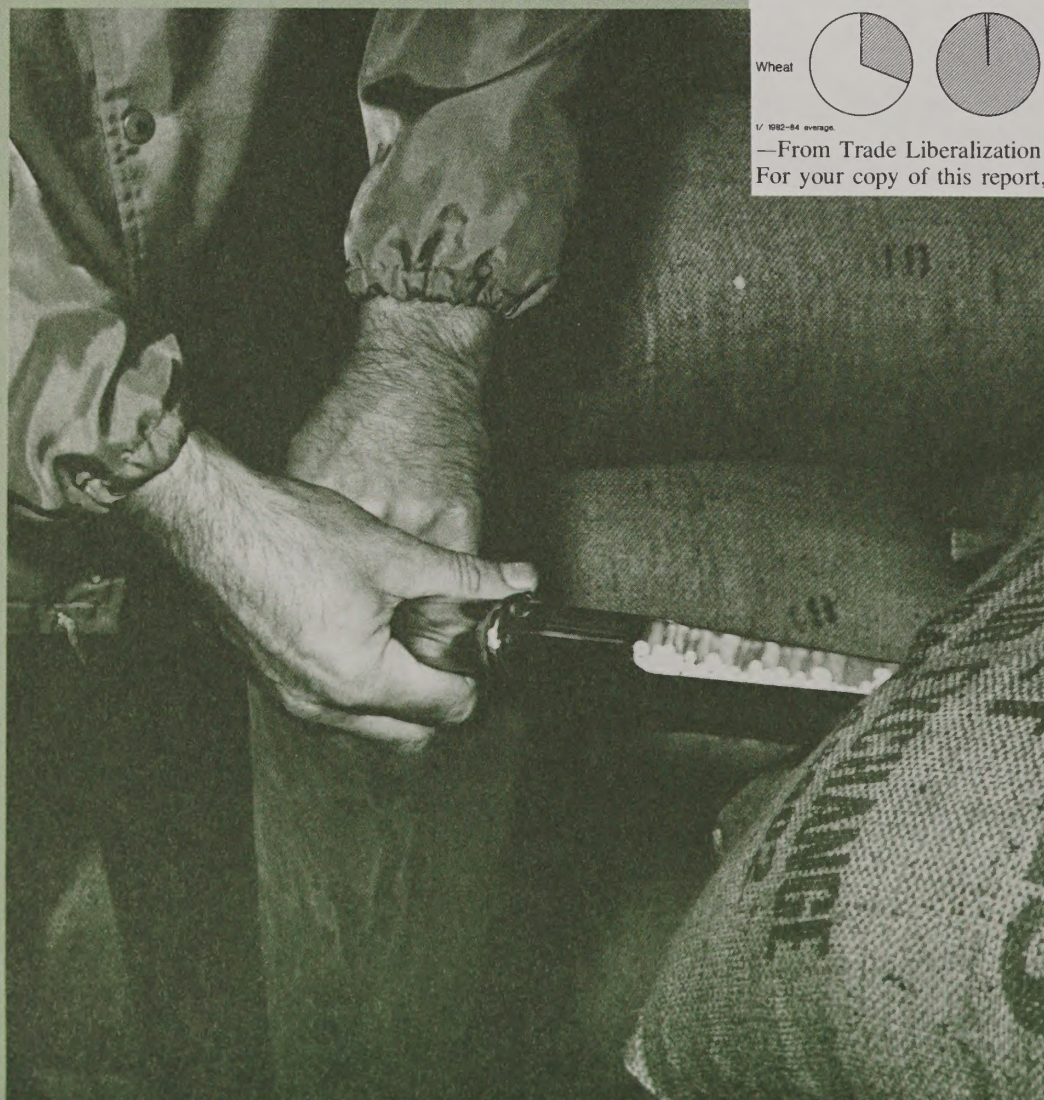
All these influences converge to distort the price signals that would otherwise govern supply and demand in a freer trade environment. The resulting hodgepodge has disadvantaged many producers in the United States and other countries, even though their farm products are among the least expensive to produce.

Who Pays for Producer Support?¹



1/ 1982-84 average.

—From Trade Liberalization in World Farm Markets.
For your copy of this report, see page 3.



“Trade Liberalization in World Farm Markets,” highlights the extent of government intervention in agricultural products for 12 countries (including the United States) and the European Community. It gives a perspective on the issues and conditions that the United States and the other 91 members of the General Agreement on Tariffs and Trade (GATT) confront as they negotiate a reduction in intervention in international markets.

Free from ERS

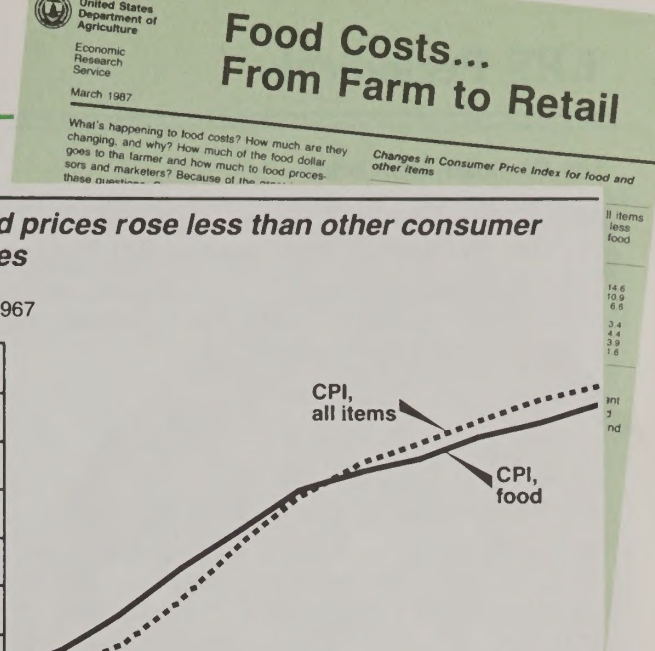
For a free copy of the following two reports, write EMS Information, Rm. 237, 1301 New York Ave., NW, Washington, DC 20005-4788.

Food Costs...From Farm to Retail, by Denis Dunham. 8 pp.

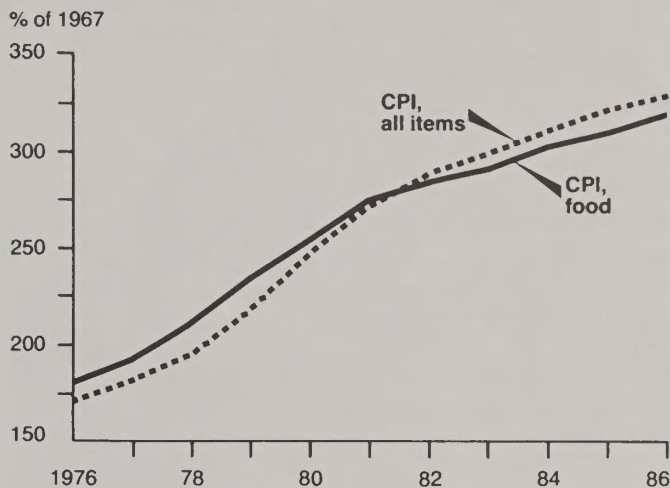
Food prices, as measured by the Consumer Price Index (CPI), rose 3.2 percent in 1986, slightly more than the 3.2 percent in 1985. But the increase nearly equaled the average annual 3-percent increase since 1981 when there was a sharp slowing in the rate of inflation.

Transfer Rates of U.S. Rural Land, by T. Alexander Majchrowicz. AIB-510. March 1987. 4 pp.

Five percent of all U.S. rural parcels, or taxable tracts of land, changed hands during 1985 through June 1986, accounting for 3.3 percent of the acres and 3.5 percent of the assessed value of all rural land, according to a recent survey. This report presents results of the first phase of a three-part "Rural Land Transfers Survey."



Food prices rose less than other consumer prices



Source: Consumer Price Index, Bureau of Labor Statistics, U.S. Department of Labor.

Issues in U.S. Agriculture



Concise, timely summaries of important issues facing American agriculture help explain the complicated twists and turns of a farm policy decision as it affects producer income, consumer and government expenditures, and agricultural structure. Titles in the issues series include:

- Choices for Implementing the Conservation Reserve
- Assistance to Displaced Farmers
- Economic Growth, Agricultural Trade, and Development Assistance
- New Approaches to Financing Long-Term Farm Debt
- Paying for Marketwide Services in Fluid Milk Markets
- Trade Liberalization in World Farm Markets
- Increased Role for U.S. Farm Export Programs

For a free set of papers, write to: Issues, Rm. 237, 1301 New York Ave., NW, Washington, DC 20005-4788. Include your name, address, and titles of the papers you want.

ERS Periodicals

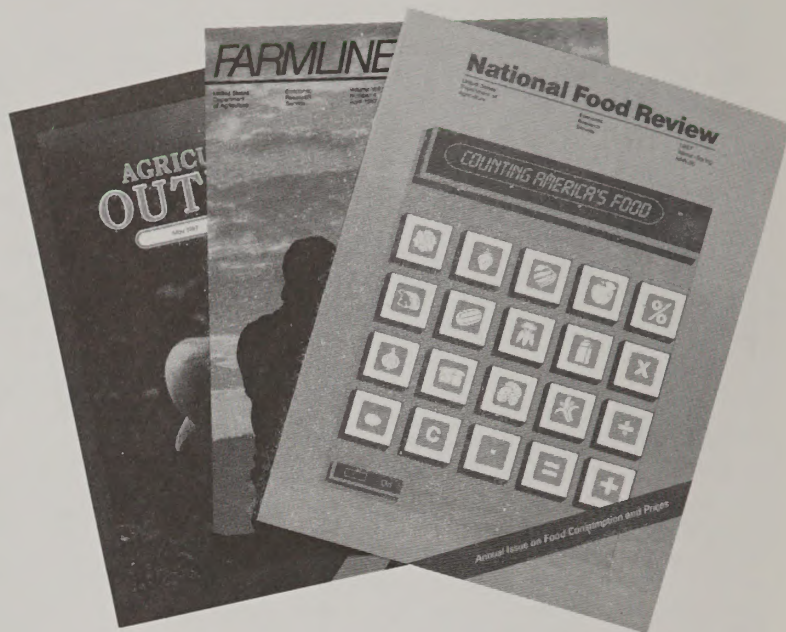
Use the order form below.

National Food Review. Quarterly; averages 40 pages per issue. Subscription \$9.00 domestic; \$11.25 foreign. Reports the latest developments in food prices, product safety, nutrition programs, consumption patterns, marketing, and production technology.

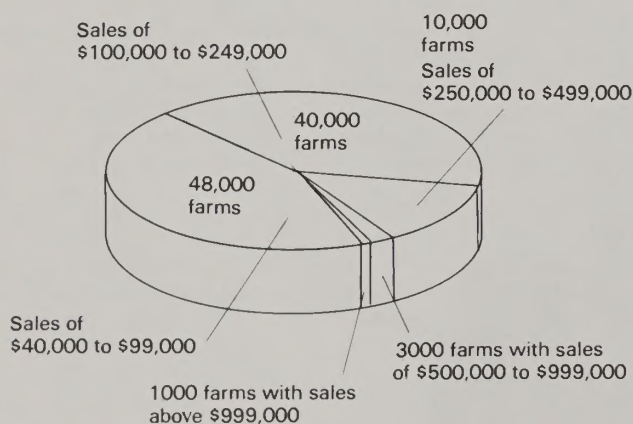
Farmline. 11 issues per year; averages 20 pages per issue. Subscriptions \$14.00 domestic; \$17.50 foreign. Practical information, covering farm economics in an easily read style, reinforced with charts and statistics, for those without time to review all the technical reports. Covers such issues as production and marketing of farm commodities, world agricultural trade, farm finances, land and water use, productivity, cost and price trends, and farm inputs.

Agricultural Outlook. 11 issues per year; averages 48 pages per issue. Subscription \$26.00 domestic; \$32.50 foreign.

USDA's official outlet for farm income and food price forecasts. Emphasizes the short-term outlook, but also presents special long-term analyses of issues ranging from international trade to U.S. land use and availability.



Most Financially Stressed Operators Had Sales Between \$40,000 and \$249,000



From Agricultural Outlook

ERS Order Form

Order the following periodicals or database catalog (see back cover) directly from ERS using this order form. Make your check or money order payable to ERS Publications and mail to: ERS Publications, Rm. 228, 1301 New York Ave., NW, Washington, DC 20005-4788.

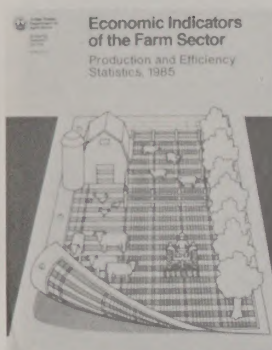
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Farmline	11	14.00	17.50
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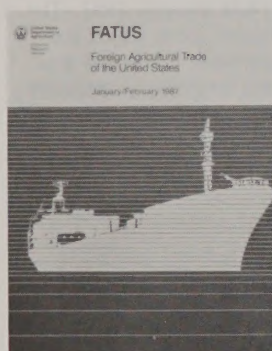
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Order the following periodicals from GPO.



Economic Indicators of the Farm Sector. A series of 5 annual issues; averages over 100 pages per issue. Subscription \$9.00 domestic; \$11.25 foreign.

A comprehensive update on economic trends in U.S. agriculture. Each issue explores a different aspect of U.S. farms and farm operator income and expenses. Topics include national and State financial summaries, production and efficiency statistics, costs of production, and an annual overview of the farm sector.



Rural Development Perspectives. 3 issues per year; averages 44 pages per issue. Subscription \$5.00 domestic; \$6.25 foreign.

This two-color periodical conveys in a crisp, nontechnical manner the chief results of new rural research and what those results mean for you. Shows the practical application of research in rural banking, aging, and housing, the non-metro labor force and poverty, and farming policies' impact on rural areas.

Foreign Agricultural Trade of the United States. 6 issues per year; averages 124 pages per issue. Subscription \$21.00 domestic; \$26.25 foreign.

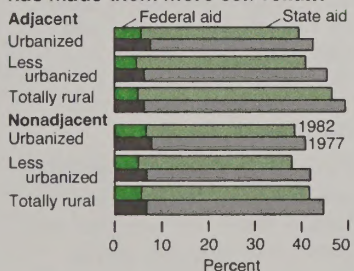
FATUS reports the quantity and value of farm exports and imports, plus price trends. Two annual supplements provide over 500 pages of calendar and fiscal year data.



The Journal of Agricultural Economics Research. Quarterly journal; averages 52 pages per issue. Subscription \$5.00 domestic; \$6.25 foreign.

The latest in technical research in agricultural economics and statistics, including econometric models, and the results of USDA-sponsored research. Includes book reviews of current research in agricultural economics.

Less Federal and State aid to nonmetro counties since 1977 has made them more self-reliant



Totally rural = fewer than 2,500 urban residents. Less urbanized = 2,500 - 19,999 urban residents. Urbanized = 20,000 - 50,000 urban residents. Fiscal year data. Adjacent refers to proximity to metro area. State aid includes that portion of Federal aid which passes through State governments. Source: Bureau of the Census.

Situation and Outlook Reports



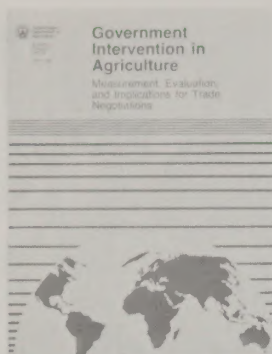
Situation and outlook reports provide timely analyses and forecasts of all major agricultural commodities and related topics such as finance, farm inputs, land values, and world and regional developments. Reports dealing with specific commodities focus on production and supply, domestic and foreign demand, and price relationships. A full complement of tabular material and charts keeps readers up to date on all facets of production and marketing. Commodity titles include: Cotton and Wool, Dairy, Feed, Fruit, Livestock and Poultry, Oil Crops, Rice, Sugar and Sweetener, Tobacco, Vegetable, and Wheat.

Outlook for U.S. Agricultural Exports analyzes current developments and forecasts U.S. farm exports.

World Agriculture offers production and use data and analyses by commodity and country, along with a review of recent economic conditions and changes in food and trade policies. **Supplements** provide an indepth look by region at agricultural developments during the previous year and the outlook for the year ahead.

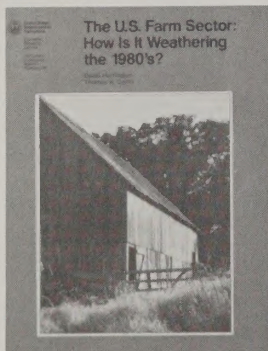
Agricultural Resources examines the developments affecting the current and upcoming demand, supply, and price of major farm production items.

To subscribe to these reports, use the coupon on page 9. For further information on the ERS situation and outlook report program, phone Diane Decker at (202) 786-1494.



Government Intervention in Agriculture: Measurement, Evaluation, and Implications for Trade Negotiations. FAER-229. April 1987. 60 pp. \$2.75. Order SN: 001-019-00520-3 from GPO.

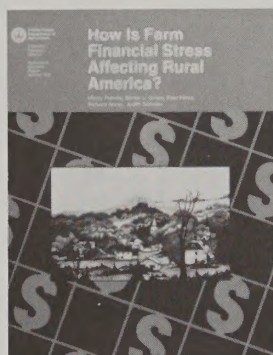
Analyzes government intervention in the agricultural sectors of the market-oriented countries most active in trade. Finds that less-developed countries tend to assist consumers and developed nations tend to assist producers. Results for individual countries and commodities gauge the mission facing the new round of multinational trade negotiations to reduce protectionism.



The U.S. Farm Sector: How Is It Weathering the 1980's? by David Harrington and Thomas A. Carlin. AIB-506. April 1987. 32 pp. \$1.50. Order SN: 001-019-00506-8 from GPO.

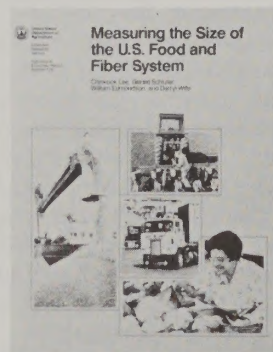
Discusses the financial condition of the U.S. farm sector as of January 1, 1986, declining

asset values, what has happened to people and resources forced out of farming by financial conditions, and linkages between economic conditions in rural areas and conditions in the farm sector.



How Is Farm Financial Stress Affecting Rural America? by Mindy Petrulis, Bernal L. Green, Fred Hines, Richard Nolan, and Judith Sommer. AER-568. May 1987. 28 pp. \$1.50. Order SN: 001-019-00512-2 from GPO.

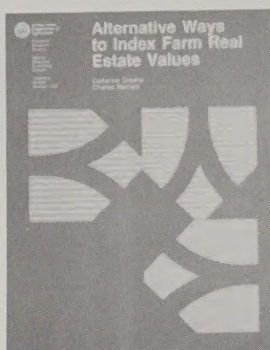
Contains indepth comparisons of rural America's current economic health by region and by reliance on farming.



Measuring the Size of the U.S. Food and Fiber System, by Chinkook Lee, Gerald Schluter, William Edmondson, and Darryl Wills. AER-566. March 1987. 20 pp. \$1.25. Order SN: 001-019-00502-5 from GPO.

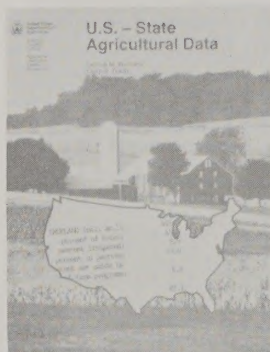
Reviews procedures used to estimate income and employment in the food and fiber system and their usefulness in

economic policy and decision-making. Civilian employment in the food and fiber system fell from over 21 percent of the workforce in 1975 to 18.5 percent in 1985.



Alternative Ways to Index Farm Real Estate Values, by Catherine Greene and Charles Barnard. TB-1724. March 1987. 16 pp. \$1.00. Order SN: 001-019-00498-3 from GPO.

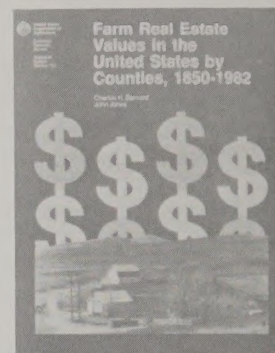
Presents the best method for indexing changes in farm real estate values, and examines the issues involved in constructing an index.



U.S.-State Agricultural Data, by Letricia M. Womack and Larry G. Traub. AIB-512. April 1987. 108 pp. \$4.75. Order SN: 001-019-00513-1 from GPO.

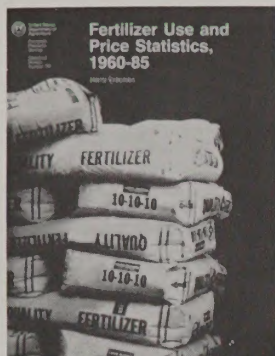
Presents agricultural information for each State and the United States. Includes data on population, land use, agricul-

tural production, farm income, value of assets on farms, and selected characteristics of farms such as size, tenure, and farm organization.



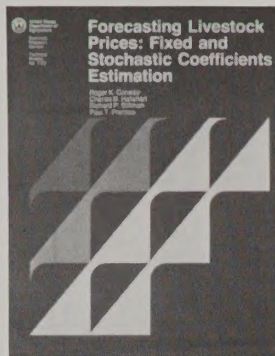
Farm Real Estate Values in the United States by Counties, 1850-1982, by Charles H. Barnard and John Jones. SB-751. March 1987. 120 pp. \$5.50. Order SN: 001-019-00510-6 from GPO.

Describes the average market value of farmland and buildings per acre for each county in the 48 coterminous United States from 1850 through 1982. The information from which the statistics were computed was collected from farm operators in each agricultural census since 1850.



Fertilizer Use and Price Statistics, 1960-85, by Harry Vroomen. SB-750. February 1987. 52 pp. \$2.50. Order SN: 001-019-00497-5.

Includes quarterly time series for farm fertilizer prices, annual farm and wholesale fertilizer price indexes, fertilizer consumption by plant nutrient and major product, and consumption of mixed fertilizers, secondary nutrients, and micronutrients.



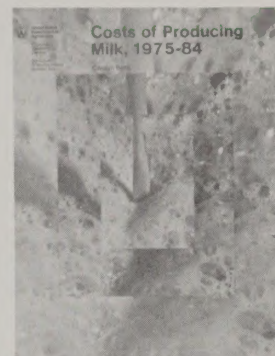
Forecasting Livestock Prices: Fixed and Stochastic Coefficients Estimation, by Roger K. Conway, Charles B. Hallahan, Richard P. Stillman, and Paul T. Prentice. TB-1725. May 1987. 36 pp. \$1.75. Order SN: 001-019-00504-1 from GPO.

Investigates retail meat prices in a forecasting vein using a stochastic coefficients estimation procedure.



Food Marketing Review, 1986. AER-565. February 1987. 92 pp. \$4.25. Order SN: 001-019-00503-3 from GPO.

Analyzes food marketing sales, manufacturing, the foodservice industry, and food marketing's contribution to GNP. U.S. food marketing sales reached about \$555 billion in 1986, with food and beverage sales of \$485 billion and \$70 billion in nonfood sales, 5 percent over 1985.



Costs of Producing Milk, 1975-84, by Carolyn Betts. AER-569. March 1987. 44 pp. \$2.00. Order SN: 001-019-00507-6 from GPO.

Describes revisions in cost-of-production estimating procedures and cost-and-return budget formats which incorporate new concepts and methodologies. Costs of producing milk rose 53 percent in 1975-84 to \$13.57 per hundredweight.

Upcoming reports from ERS

Watch for these ERS reports in the next issue of Reports, or call the GPO order desk beginning in July to order your copies, (202) 783-3238.

The U.S. Cotton Industry, by Irving R. Starbird, Edward H. Glade, Jr., W.C. McArthur, Fred T. Cooke, Jr., and Terry Townsend. AER.

World Feed Grain Trade, 1962-85: Barley, Corn, Rye, Oats, and Other Cereals, by Arthur Mackie, Stephen W. Heimstra, and Janet E. Sayre. AER.

Prices and Spreads for Selected Fresh Fruits and Vegetables Sold in Selected Markets, 1975-84, by Joan Pearrow. SB.

Research on Economic Post-Harvest Loss: An Annotated Bibliography (1970-82), by Philip D. Gardiner, John L. Baritelle, and Elizabeth Lanzer. BLA.

Theoretical Evaluation of Fee Systems for Private Grazing on Federal Lands, by Ray F. Brokken and Bruce A. McCarl.

Exporting U.S. Food to Sweden, Norway, and Finland, by Harold A. McNitt. FAER-227.

Agricultural Parity: Historical Review and Alternative Calculations, by Lloyd D. Teigen. AER.

Employment Growth Helps Some But Not All Nonmetro Households: A Case Study in Ten Georgia Counties, by Donald Larson. RDRR.

Targeting Erosion Control: Economic Effects, by Harold Stults, Robert Dawson, Daryll Raitt, and Jerry Williams. CRR-36.



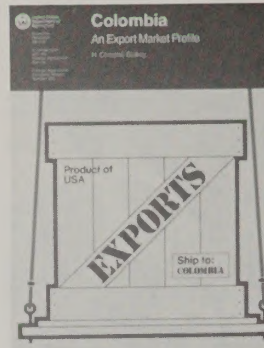
China's Livestock Sector, by Francis C. Tuan. FAER-226. April 1987. 92 pp. \$3.00. Order SN: 001-019-00505-0 from GPO.

Identifies problems that the Chinese livestock sector faces, cites implications for future development, and analyzes development of national provincial livestock production 1979-84.



Price Elasticity of Export Demand: Concepts and Estimates, by Walter H. Gardiner and Praveen M. Dixit. FAER-228. February 1987. 52 pp. \$2.50. Order SN: 001-019-00508-4 from GPO.

Analyzes the price elasticity of export demand in general and reviews recent estimates for selected U.S. agricultural commodities. Also examines how the adjustment period, government policies, domestic structure of trading countries, and export market shares affect the elasticity of export demand.



Colombia: An Export Market Profile, by H. Christine Bolling. FAER-225. March 1987. 72 pp. \$3.25. Order SN: 001-019-00491-6 from GPO.

Examines the major factors directly or inversely related to Colombia's import growth during the seventies—population, income, and inadequate domestic food production—as well as the country's position regarding foreign reserves, food aid, and import prices.



Effect of Fiscal Austerity on African Food Imports, by Shahla Shapouri and Stacey Rosen. FAER-230. May 1987. 68 pp. \$3.25. Order SN: 001-019-00515-7 from GPO.

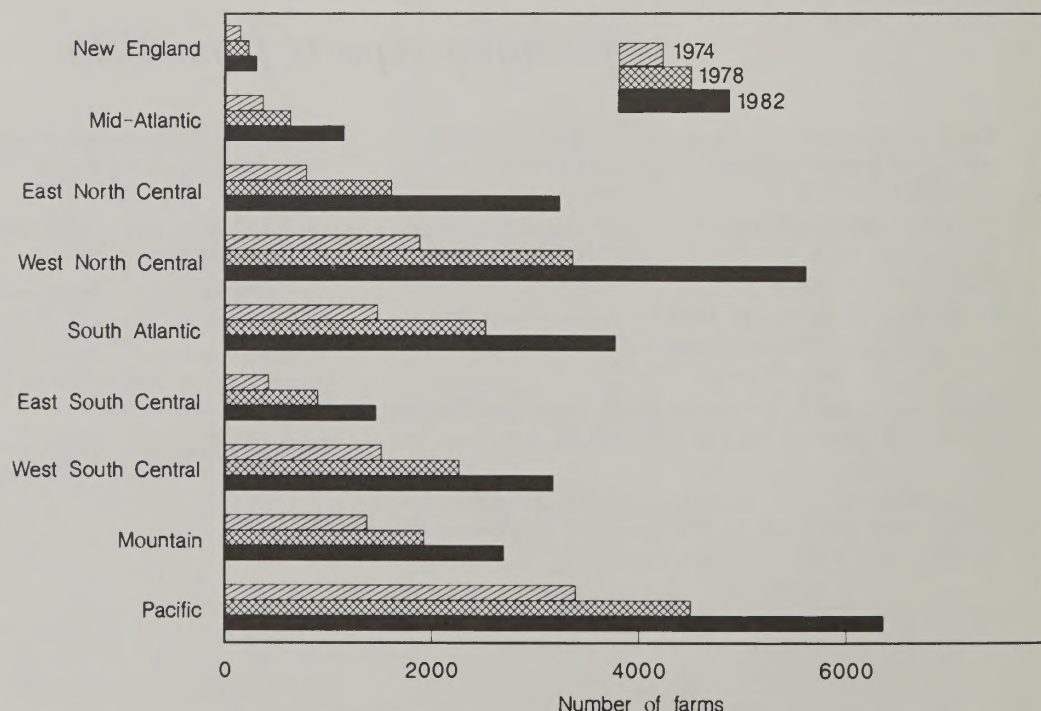
Presents key financial information on 25 African countries, their food imports, export earnings histories, and what role foreign financial assistance plays in their economies.



Large-Scale Farms in Perspective, by Donn A. Reimund, Thomas A. Stucker, and Nora L. Brooks. AIB-505. February 1987. 20 pp. \$1.25. Order SN: 001-019-00496-7 from GPO.

Examines recent trends in the number of large-scale farms, the proportion of total farmland under their control, and their contribution to total output using unpublished 1982 census data. The number of large-scale farms (farms with annual sales of \$500,000 or more) increased from 11,400 in 1974 to 27,800 in 1982.

Change in regional distribution of large-scale farms



From Large-Scale Farms in Perspective

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Economic Indicators of the Farm Sector	5	9.00		11.25	
The Journal of Agricultural Economics Research	4	5.00		6.25	

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	The U.S. Farm Sector: How Is It Weathering the 1980's?	001-019-00506-8	\$ 1.50
	How Is Farm Financial Stress Affecting Rural America?	001-019-00512-2	\$ 1.50
	U.S.-State Agricultural Data	001-019-00513-1	\$ 4.75
	Alternative Ways to Index Farm Real Estate Values	001-019-00498-3	\$ 1.00
	Farm Real Estate Values in the United States by Counties, 1850-1982	001-019-00510-6	\$ 5.50
	Fertilizer Use and Price Statistics, 1960-85	001-019-00497-5	\$ 2.50
	Costs of Producing Milk, 1975-84	001-019-00507-6	\$ 2.00
	Food Marketing Review, 1986	001-019-00503-3	\$ 4.25
	Measuring the Size of the U.S. Food and Fiber System	001-019-00502-5	\$ 1.25
	Price Elasticity of Export Demand: Concepts and Estimates	001-019-00508-4	\$ 2.50
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	Colombia: An Export Market Profile	001-019-00491-6	\$ 3.25
	China's Livestock Sector	001-019-00505-0	\$ 3.00
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Situation and Outlook Reports

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World Agriculture	4	7.00		8.75	
World Agriculture Regionals	11	21.00		26.25	
Cotton and Wool	3	5.50		6.90	
Dairy	5	6.00		7.50	
Feed	3	5.50		6.90	
Fruit	4	7.50		9.40	
Livestock and Poultry	4	8.50		10.65	
Oil Crops	3	5.00		6.25	
Rice	2	5.00		6.25	
Sugar and Sweetener	3	5.50		6.90	
Tobacco	4	7.50		9.40	
Vegetable	3	5.00		6.25	
Wheat	3	5.00		6.25	

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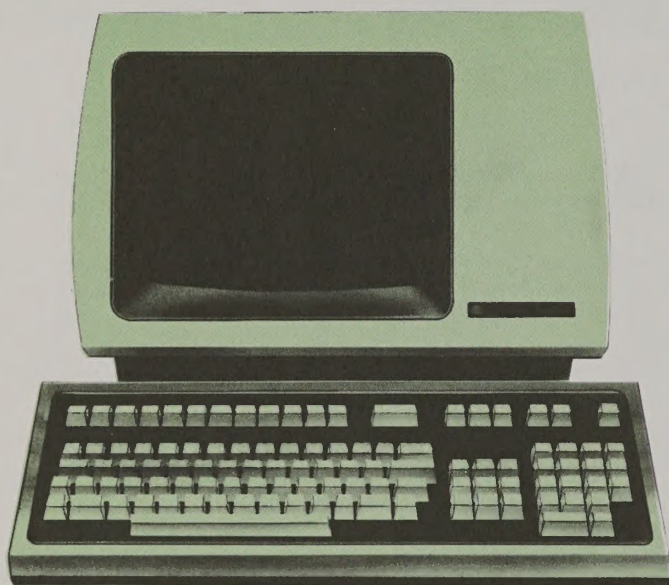
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For more information on the individual series, contact the individuals below. To obtain a catalog listing prices and descriptions of the databases, check "Database Catalog" in the box on page 4.

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